GOVERNMENT OF INDIA
COMMUNICATIONS AND INFORMATION TECHNOLOGY
LOK SABHA

STARRED QUESTION NO:126
ANSWERED ON:14.07.2004
RATES OF TELECOMMUNICATION SERVICES
Mahato Shri Bir Sing

Will the Minister of COMMUNICATIONS AND INFORMATION TECHNOLOGY be pleased to state:

(a) whether the rates of various telecommunication services in the country are exorbitant in comparison to other countries;

(b) if so, the reaction of the Government thereto;

(c) the current pulse rate of various telecommunication services in Russia, America, Sri Lanka, Pakistan and China separately;

(d) the steps taken by the Government to reduce the rates of telecommunication services in the country; and

(e) the achievements made so far by the Government in this regard?

Answer

THE MINISTER OF COMMUNICATIONS AND INFORMATION TECHNOLOGY (SHRI DAYANIDHI MARAN)

(a) to (e) A statement is laid on the Table of the House.

STATEMENT TO BE LAID ON THE TABLE OF THE LOK SABHA IN RESPECT OF PARTS (a) TO (e) OF LOK SABHA STARRED QUESTION NO. 126 FOR 14TH JULY, 2004 REGARDING RATES OF TELECOMMUNICATION SERVICES.

(a) No, Sir.

(b) Telecom tariff in India in general is on the lower side internationally. However, international comparison of tariff for telecommunication services and pulse rate for such services is rendered difficult and may not be realistic because of varied tariff packages, exchange rates, differences in purchasing power and different teledensities across countries.

(c) The tariff for voice telephony for select countries available in International Telecommunication Union (ITU) report entitled "World Telecommunication Development Report 2003" are given at the Annexure.

(d) & (e) As per section 11(2) of TRAI Act 1997, the power to fix telecom tariffs is vested with the Telecom Regulatory Authority of India (TRAI) only. However, the introduction of competition in the telecom sector, cost oriented interconnection usage charges regime and the flexibility given to service providers by TRAI in the matter of offering tariff packages in the market have led to a substantial reduction in the tariff of telecom services like local, national and international long distance calls.

Annexure

International Comparison

1. Cellular Tariffs 2003 US $

Country	Connection Charges (in US $)	Per Minute charges (in US $)	Local call
Russia	#	0.38	0.30
USA	##	0.35	0.10
Sri Lanka	10.98	0.11	0.08
Pakistan	16.73	0.10	0.10
China	##	0.07	0.07
India	03.76	0.05	0.05

2. Telephone Tariff (fixed) 2002 US $

Country	Connection Charges (in US $)	Monthly Charges (in US $)	Local Call Charges (in US $)	
Russia	192	3.5	#	
USA	42	23.4	##	
Sri Lanka	131	1.8	0.03	
Pakistan	31	4.4	0.02	
China	#	#	#	
India	16	5.1	0.02	

Note: 1. # Indicates Data not available.
2. ## Indicates Zero or Quantity less than half the unit shown.
Also used for data items that are not applicable.

Source: World Telecom Development Report (ITU)-2003